



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 15, 2006

### **H.R. 512**

#### **A bill to require the prompt review by the Secretary of the Interior of the longstanding petitions for federal recognition of certain Indian tribes, and for other purposes**

*As ordered reported by the House Committee on Resources on June 21, 2006*

#### **SUMMARY**

H.R. 512 would require the Department of the Interior (DOI) to process and settle certain petitions for official recognition of Indian groups by the federal government. The bill would mandate that the department respond to all eligible petitions within one year of its enactment. Based on information from DOI, CBO expects that current staff are insufficient to meet that deadline. Assuming that the department hires enough new staff to respond to all eligible petitions as rapidly as feasible, CBO estimates that implementing H.R. 512 would cost about \$5 million over the 2007-2011 period, subject to appropriation of the necessary amounts.

H.R. 512 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Enacting H.R. 512 would have no impact on direct spending or revenues.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 512 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	1	2	2	0	0
Estimated Outlays	1	2	2	0	0

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the bill will be enacted near the beginning of fiscal year 2007 and that the necessary amounts will be appropriated to allow DOI to comply with the deadlines in the bill to the extent possible.

Indian tribes may be recognized by the federal government through an act of the Congress, DOI administrative procedure, or a decision by a United States court. The usual route to federal recognition is through DOI's administrative process. Federal recognition of an Indian group entitles the group to participate in federal programs operated for the benefit of Indians. It also creates a government-to-government relationship between the tribe and the federal government.

Within DOI, the Office of Federal Acknowledgment (OFA) reviews and recommends findings on petitions by interested Indian groups for federal recognition. Once a petitioning group has submitted their documentation and undergone a technical review, OFA lists the group as ready for active consideration. Following the delivery of a proposed finding, regulations governing the federal acknowledgment process require a minimum public comment period of at least 180 days. After that, the department has 60 days to issue a final determination.

H.R. 512 would require DOI to begin active consideration of all petitions on the "ready" list filed prior to 1988. As of February 2006, nine petitions were listed as ready for consideration by DOI, and seven of those would be covered by the provisions of this bill. The bill would require the department to complete all proposed findings within six months of the bill's enactment and complete all final determinations within one year for these groups. Because the current regulations require at least eight months between delivery of a proposed finding and preparation of a final determination, CBO expects that DOI might be unable to comply with the deadlines in the bill even with additional resources. In that event, the affected tribes could pursue judicial recognition as they may under current law.

To properly evaluate the seven affected petitions as expeditiously as possible, in addition to eligible petitions currently under active consideration, the department would need additional research personnel. OFA currently employs four three-member research teams that each produce roughly one proposed finding and one final determination per year. CBO estimates that OFA would need to hire about 15 personnel for roughly a two-year period to process all eligible petitions under H.R. 512. CBO estimates that the additional staff would cost about \$5 million for salaries and training over the 2007-2009 period, subject to appropriation of the necessary amounts.

Expediting the recognition process may also cause some groups to be eligible for programs operated for the benefit of Indians earlier than would otherwise have occurred in absence of the proposed legislation. CBO does not have enough information on the likelihood of recognition for the eligible petitions to estimate a cost for this effect. Any such additional costs would be subject to the availability of appropriated funds.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 5134 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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